

ND STATE INVESTMENT BOARD

State Investment Board Balance Sheet As of 8/31/2008

	As of <u>8-31-08</u>	As of <u>6-30-08</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 1,601,357,171	\$ 1,603,374,536
INTERNATIONAL EQUITIES	700,687,716	751,763,915
DOMESTIC FIXED INCOME	2,097,036,833	2,116,937,618
INTERNATIONAL FIXED INCOME	189,280,508	193,480,800
REAL ESTATE	417,667,229	433,101,768
ALTERNATIVE INVESTMENTS	195,146,809	203,274,502
INVESTED CASH (NOTE 1)	<u>89,937,120</u>	<u>82,143,865</u>
 TOTAL INVESTMENTS	 5,291,113,386	 5,384,077,004
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	21,659,729	22,250,638
MISCELLANEOUS RECEIVABLE	<u>3,366</u>	<u>7,894</u>
 TOTAL RECEIVABLES	 21,663,095	 22,258,532
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	193,890,419	193,890,417
OPERATING CASH	<u>163,229</u>	<u>110,297</u>
 TOTAL ASSETS	 <u>\$ 5,506,830,129</u>	 <u>\$ 5,600,336,250</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	193,890,419	193,890,417
ACCOUNTS PAYABLE	20,699	34,863
ACCRUED EXPENSES	62,053	56,242
INVESTMENT EXPENSE PAYABLE	<u>6,777,370</u>	<u>6,781,460</u>
 TOTAL LIABILITIES	 200,750,541	 200,762,982
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	5,399,573,268	5,635,611,032
CASH IN DURING YEAR (NOTE 3)	39,456,000	365,048,641
CASH OUT DURING YEAR (NOTE 4)	60,150,688	353,400,350
NET INCREASE (DECREASE)	<u>(72,798,992)</u>	<u>(247,686,055)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>5,306,079,588</u>	 <u>5,399,573,268</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 5,506,830,129</u>	 <u>\$ 5,600,336,250</u>

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State Investment Board Profit and Loss Statement For the Month Ended 8/31/2008

	Month Ended <u>8-31-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 11,976,900	\$ 23,159,949
SECURITIES LENDING INCOME	419,745	839,663
	<u>12,396,645</u>	<u>23,999,612</u>
 GAIN ON SALE OF INVESTMENTS	 41,804,603	 88,870,270
LOSS ON SALE OF INVESTMENTS	<u>37,198,804</u>	<u>80,365,364</u>
 NET GAINS (LOSSES) INVESTMENTS	 4,605,799	 8,504,906
 INVESTMENT EXPENSES	 2,142,908	 5,691,656
SECURITIES LENDING EXPENSES	338,254	657,940
 NET INVESTMENT INCOME	 14,521,282	 26,154,922
 NET APPREC (DEPREC) MARKET VALUE	 (29,329,623)	 (99,490,851)
MISCELLANEOUS INCOME/(EXPENSE)	<u>629,166</u>	<u>618,668</u>
 TOTAL INVESTMENT INCOME	 <u>(14,179,175)</u>	 <u>(72,717,261)</u>
 DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	40,585	81,731
 NET INCREASE (DECREASE)	 <u>\$ (14,219,760)</u>	 <u>\$ (72,798,992)</u>

ND STATE INVESTMENT BOARD
Notes To Financial Statements
August 31, 2008

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.